245 483 tea constitutes 70 per cent, black tea 28 per cent, and all others 2 per cent; in distribution of production by provinces, Chekiang produces 46 per cent, Anhwei 41 per cent, and Fukien 13 per cent.[19]

It was estimated in 1952 that the total production of tea in China was 1,650,000 shih-piculs (90,750 tons), of which East China produced approximately 825,000 shih-piculs (45,375 tons).[20] The projected goal of tea production in East China will reach 1,110,000 shih-piculs (60,500 tons) in 1957, the last year of the Communists' first Five-Year Plan.[21]

B. Silk

231 483 East China also led in silk production -- almost 80 per cent of the country's output in the pre-war years.[22] The total production of silk cocoons in East China in 1934 amounted to [245] 1,893,000 shih-piculs (104,115 tons). During the war the Japanese army destroyed over half of the mulberry gardens of East China, and production dropped sharply. The total output of silk cocoons in 1947 amounted to 41,000 shih-piculs (2,255 tons)

19. Ibid.

20. Cheng Chu-yüan, Chung-kung Wu-nien-chi-hua p'ou-hsi [An Analysis of Chinese Communists' First Five-Year Plan], Hong Kong, Freedom Press, 1955, p. 244.

21. Ibid.

22. Chung-yang Yin-hang Yüeh-pao [Central Bank Monthly], Shanghai, Central Bank of China, May 1947, Vol. II, No. 5, pp. 54-57.

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231 and increased to 44,000 shih-piculs (2,420 tons)[23] 433 in 1948. After 1949, the Communists made a great effort to restore the pre-war level of silk production. In 1951, the gross output in East China was raised to 590,000 shih-piculs (32,450 tons).[24]

In percentage distribution of silk among the East China provinces, Chekiang contributed about 60 per cent, Kiangsu 33 per cent, Shantung 6 per cent and Anhwei 1 per cent.[25] The silk cocoons in Shantung Province are produced by wild silkworms which feed on the leaves of oak trees. In Chekiang Province, over 30 hsien [counties] are planted in mulberry trees. Chekiang's production of silk cocoons increased to 500,000 shih-piculs (27,500 tons) in 1954.[26] Other provinces of the region probably showed proportional increases in the same year. The goal of silk-cocoon production in East China for 1957 will be 1,520,000 shih-piculs (83,600 tons).[27]

C. Ramie, Hemp, and Jute

248 433 East China ranks first in hemp production in the country as a whole, for hemp is produced extensively in Chekiang, Kiangsu, and Fukien provinces. The strength of fiber is next only to

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23. Ibid.

24. Current Background, Hong Kong, American Consulate General, Feb. 15, 1952, No. 159, pp. 7-9.

25. Economic Bulletin, Hong Kong, March 17, 1953, No. 310, p. 16.

26. Wen-hui Pao [Wen-hui Daily], Hong Kong, June 8, 1955.

27. Cheng Chu-yüan, op. cit., p. 244.

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FOUR

Location

Shanghai's Hinterland

"The first and most natural root of a great city is the labour and populousness of the adjacent country, which supplies the materials of subsistence, of manufactures, and of foreign trade." [1] Shanghai is a great city primarily because it stands at the apex of the most fertile and populous area of comparable size anywhere in the world, the lower Yangtze basin.

The Yangtze watershed totals 750,000,000 square miles, or half of China proper, and has a population of approximately 200,000,000. The section of the river's basin which we may call the fertile triangle, bounded by Chinkiang, Hangchow, and Shanghai, an area of about 20,000,000 square miles, has an estimated population of 40,000,000, or an overall average of about 2,000 inhabitants per square mile. Nearly 80 per cent of the total land area is cultivated (map 10), and this region stands out as one of the three most widely cultivated in China (the Red Basin of Szechuan and the north China plain being the other two). Nodes of commerce are thickly scattered over the fertile triangle, which contains three cities of over half a million population (Hangchow, Soochow, and Shanghai — map 5). The Yangtze delta supports by far the densest single concentration of population in China for an area of similar size (map 7). The river's course is marked by successive clusters of settlement, terminating westward in the densely peopled Red Basin of Szechuan.

Of the other major cities of the lower Yangtze basin, Hangchow, Soochow, and Nanking were all at one time imperial capitals, and all have remained important commercial and industrial centers. Hangchow and Soochow are still among the three or four leading cities in China in silk reeling and weaving, and both act as central places for the surrounding rice and silk areas of the delta. Nanking

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Map 9. Tea and Silk Areas of China in the Nineteenth Century, and Coal Mines Mentioned in the Text. Major collecting centers for tea underlined. Major ports for overseas exports of tea underlined and overlined. Data from China: Maritime Customs, *Silk* (1881); *ibid., Decennial Reports*; Robert Fortune, *A Journey to the Tea Countries* (1852); Richtofen, *Letters* (1871); *et al.*

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responsible for the city's commanding position in the tea trade. Its tea exports rose from one million pounds in 1844 (the year after it was opened to foreign trade) to 80 million pounds in 1855. Smaller amounts continued to be exported direct via Hankow, Kiukiang, Ningpo, Foochow, and Canton, but by 1855 Shanghai accounted for 58 per cent of the total, and in 1864 (two years after the effective opening of the Yangtze) for 64 per cent.[28]

For the silk trade, Shanghai was even more favorably located. From the opening of the treaty ports through the 1930's, there were four principal silk-producing areas in China (map 9): the Canton region, producing so-called "soft" silk; central Szechuan, producing "yellow" silk; northeastern Shantung, producing "tussah" silk; and southern Kiangsu-northern Chekiang.* This last was by far the largest producer, and its silk (known generically to the foreign merchants as "China" silk) was considered by both Chinese and foreign traders to be the finest in the world.† Kiangsu and Chekiang together accounted for about half of the total production of raw silk in China through the nineteenth century and into the 1930's, while the Canton region accounted for about 20 per cent, Szechuan for 15 per cent, Shantung for 5 per cent, and Hunan and Hupeh together for 5 per cent.[29]

The area around Tai Lake was the major center within the Kiangsu-Chekiang silk region. In certain districts there, notably around Wusih, Soochow, and Huchow, mulberry displaced rice as the first crop, and nearly all of the farmers were engaged in silk culture during the six-week worm-rearing season in April and early May. Hangchow was also a leading silk center, and was especially important in silk reeling and weaving. The cocoons were reeled and the silk spun into yarn either in these cities (and lesser centers), or in Shanghai, but nearly all of the silk produced in this

* Silk for export also came in smaller quantities from Honan and Anhwei (notably Wuhu). Hopeh and Liaotung (southern Manchuria) were important "tussah" producers in addition to Shantung.

† The study of the silk industry and trade published in 1881 by the Maritime Customs (Special Series #13) includes an account by the Rev. Mr. Milne, a British missionary who traveled around the delta and a little beyond in the mid-1840's, disguised as a Chinese. He details the nature of silk worms and describes their care and the production of silk according to the traditional Chinese ideas and practices, expressed in picturesque language in the spirit of the Chinese texts.

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231 "China" silk area for foreign trade was marketed in Shanghai, through both Chinese and foreign trading firms, who sold it for 288 export. Steam filatures for the reeling and spinning of silk had largely replaced domestic reeling and spinning by 1920, but this did not affect the concentration of silk marketing in Shanghai, since the reeling centers remained tributary to Shanghai and since the silk-reeling industry was also concentrated, in differing degrees at different periods, in the city.

[177] After the introduction of cotton from India in the Yüan dynasty (1260–1368) and the manufacture of cotton cloth in China on a 231 large scale by the end of the Yüan, this much cheaper fabric largely 439 displaced silk, which previously had been produced in almost every region of China and was universally worn. The quality of the silk also declined. By the end of the eighteenth century only the four major areas listed above were important silk producers, but the great increase in China's foreign trade, especially in tea and silk, which followed the opening of the treaty ports stimulated both the quantity and quality of silk production in these areas, most of all in the chief silk region of the Yangtze delta, where foreign traders were closest on the scene.

231 The leading silk areas within the delta coincide closely with the 505 areas where navigable waterways are most numerous. The upland districts south of Nanking and west of Tai Lake, where waterways are relatively sparse, are largely avoided by silk culture. This is mainly due to the fact that silk culture is a painstaking and time-consuming process which requires prodigious amounts of hand labor. It is therefore heaviest in lowland areas with a dense population, as is the case with nearly all of the silk producing regions of China, but such a location facilitates a virtually exclusive dependence on water transport for marketing the silk. This in turn tends to make Shanghai, as the primate commercial center of the delta, the dominant market for silk exports, since it can draw silk from the producing areas by water transport nearly as easily and cheaply as can inland centers.

Every important cocoon and filature center in the delta has multiple water connections and depends on them for the collection of cocoons and for the marketing of silk. Liu Ta-chün in his study of

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the silk industry makes this clear, and uses the case of Huchow as an example. No less than sixteen navigable waterways connect Huchow with the local silk culture districts, and with Shanghai, where the bulk of its cocoons and spun silk was marketed.[30]

Shanghai was also the primary market for the silk exports of Szechuan, Shantung, and Hupeh-Hunan. Before 1843, and to a lesser extent until 1862, the silk exports of these areas went to Canton via the Cheling and Meiling passes, or from Shantung by coastal junk, but after the opening of the treaty ports, and particularly after the opening of the Yangtze, these exports moved out via the much nearer port of Shanghai. The silk areas of the upper Yangtze basin, notably in Szechuan, are closely related to the Han and Chialing Rivers, or to the Yangtze itself. With free navigation throughout the river system, it was natural that this silk should be marketed through Shanghai.

Before the abolition in 1834 of the East India Company's monopoly of the British trade with China, yearly exports of silk from China averaged under 6,000 bales. By 1840 the figure had risen to 16,000 bales, largely as a result of the new volume of trade by private firms out of Canton.[31] However in 1844 Shanghai, one year after its opening to foreign trade, exported alone 6,433 bales, and by 1855 the figure for Shanghai had risen to 92,000 bales, or over 60 per cent of the total exports of silk from China.[32] By 1864, after the opening of the Yangtze, Shanghai accounted for approximately 64 per cent of China's silk exports, and in 1930 for 62 per cent, as against 29 per cent in 1930 for Canton.[33] Canton was left with only the local silk areas in Kwangtung to draw on, while Shanghai in 1925 drew 30 per cent of its spun silk exports from filatures in the city (whose cocoon supply came almost entirely from the delta), 10 per cent from other delta filature centers, 11 per cent from Szechuan filatures, 15 per cent from Shantung filatures, 9 per cent from Hupeh-Hunan filatures, and 25 per cent from domestic reeling, primarily in the delta.[34] Cheap transportation made it possible for Shanghai to add to its monopoly of local silk marketing for export the silk of all the other leading areas except for Kwangtung itself.

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248 439 area. Kiangsu alone produced before the war about 30 per cent of China's total annual cotton crop. Shanghai's textile mills at this period consumed an annual average of about 3,800,000 piculs of raw cotton (one picul equals 133 pounds), of which it is estimated that 2,000,000 came from Kiangsu, 500,000 from Hankow, 500,000 from Tientsin by sea, and 800,000 from foreign ports, principally from the United States.[11] The foreign cotton imports were predominantly of long-staple varieties for the weaving of finer-count cloth for which the native short-staple Chinese cotton was not suitable. During the 1930's considerable progress was made in growing long-staple cotton in China from American seeds, including that grown in the Kiangsu area, so that by 1936 foreign cotton imports to Shanghai were only half of what they had been in 1920.[12] The ground thus gained was largely lost during the war years, but reports from China since 1946 indicate that self-sufficiency in all types of cotton is now again within reach, with Kiangsu still the leading producer.[13]

● 231 288 The major silk-producing regions of China are also near at hand. The delta areas of Kiangsu and Chekiang accounted for about half of the total Chinese production of raw silk in the 1920's and 1930's, as they had during most of the nineteenth century, and Shanghai remained the primary silk market of China. When silk-reeling, spinning, and weaving in the delta area became largely concentrated in factories after about 1910, rather than being done as before on a domestic basis, it was logical that the industry should center in Shanghai, as well as in the nearby cities of Soochow, Wusih, and Hangchow.

236 248 288 The rest of the textile industry is less closely related to the sources of its raw materials. About three-quarters of the raw wool used in Shanghai factories before the war came from the grazing areas of northwest China via Tientsin, by sea and rail. Less than one-tenth came from Kiangsu, and it was mainly "dead" wool of poor quality shorn from dead sheep and goats. The remainder was supplied largely from central China, via Hankow, by Yangtze steamer.[14] Ramie and hemp for Shanghai manufacturing came primarily from Hankow, in the center of the chief producing areas for both crops. Most of the jute consumed in Shanghai was imported from India. [439]